MR. CHAIRMAN: Next question.

Negotiation for purchase of 19-seater aircraft by Vayudoot

*23. SHRI SURESH KALMADI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether it is a fact that Vayudoot is negotiating with a Czechoslovak firm and a Polish firm for the purchase of 19-seater aircraft; and

(b) if so, what are the reasons that Vayudoot is not going for Dornier aircraft which is being produced in India by H.A.L.?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI SHIVRAJ PATIL): (a) and (b) Apart from the HAL manufactured Dornier-228, M/s Vayudoot is examining other aircraft of about 20 seat capacity from rupee trade areas including Poland and Czechoslovakia. The inhouse techno-economic evaluation has not reached the negotiation stage.

SHRI SURESH KALMADI: The hon. Minister in his reply has stated that apart from HAL manufacturing Dornier—228, they are considering Czech. aircraft and Polish aircraft. I do not think this is a fact. As per my information, they are not considering the Indian manufactured aircraft at all for the expansion of the Vayudoot fleet. Sir, the Vayudoot feels that Dornier is a bad aircraft. It has reason to because there have been over 50 engine failures on the Dornier. But it has to be examined as to why there were so many engine failures, because all over the world, Dornier is a good aircraft. So many airlines all over the world are flying it very well. Why this problem only in India? Why is it that Vayudoot has not been able to utilise Dornier properly? It is because of bad maintenance; it is because of overflogging of the aircraft; it is because Vayudoot aircraft is flogged 30 per cent more than it should be; maintenance is bad and we are increasing routes. We have already crossed 100 centres. Everybody going and asking for one more route is getting one more, and that is the reason that Dornier has proved unsuccessful in the country. And definitely now, when it comes to expansion phase, I do not know why Dornier is not considered because Government of India after appointing numerous committees, had decided to manufacture Dornier in the country and HAL is manufacturing it. Why is it that Vayudoot is not going in for the Dornier? We are manufacturing it in India. You say that the price is high. But if you give orders, if the Coast Guard and other people give orders, the price would come down. We should use the Dornier properly. I would like to have an assurance from the hon. Minister that Vayudoot would consider Dornier which is being manufactured by the H.A.L. with German collaboration instead of going in for others. would that assurance be given? (*Interruptions*)

MR. CHAIRMAN: Would you consider the Dornier for the Vayudoot? He wants an assurance.

SHRI SHIVRAJ PATIL: I have understood the question and I would like to reply. The price of one Dornier is Rs. 6·33 crores and the price of one AN-22 aircraft from Poland, which is being examined by us, is only Rs. 2 and odd crores. The price difference is very big. Moreover, the Dornier is manufactured in India but the components are not manufactured in India. All the components have to be imported. When we import the components from the hard currency areas, we have to spend foreign exchange. These are the two very important considerations.

As far as the quality of the engine and the quality of the aircraft are concerned, well, there are views expressed by the H.A.L., there are views expressed by the Vayudoot and there are views expressed by others. I would not say that the Dornier is a bad aircraft. It is a good aircraft and I have said on the floor of the House that the Dornier is also being considered. Now, when I say on the floor of the House that the Dornier is also being considered I cannot be told that I am not considering it. This statement I am making on the floor of the House. The only thing is that we shall have to examine this question from the techno-economic point of view. Only the experts would be in a position to advise the Vayudoot and the Government and then the Government would take a decision on the basis of the techno-economic advice. Therefore, I cannot give any assurance.

SHRI SURESH KALMADI: The hon. Minister has gone into the financial aspect and I am glad that he has gone into it. I do not know from what funds the Vayudoot is going to purchase these aircraft because, as it is, the Vayudoot is in deep debt. They owe the Indian Airlines Rs. 15 crores, they owe the spare parts manufacturers another Rs. 10 crores and they also owe money to the H.A.L. (*Interruptions*).

MR. CHAIRMAN: The Minister has already said that they will examine from the techno-economic point of view. (*Interruptions*).

SHRI SURESH KALMADI : Sir, I am asking wherefrom the money is going to come for the purchase of these aircraft. As it is, there is bad management and they have no money. Wherefrom are they going to get the money? It has been mentioned here that they will go in for a 20-seater aircraft. What the Vayudoot needs today, what the country needs today —because of the size of the country — is not a 20-seater aircraft but a 40-seater or a 50-seater aircraft. Do you feel that your 20-seater aircraft experiment has been successful? Don't you feel that you should go in for a 40-seater or a 50-seater aircraft.

SHRI SHIVRAJ PATIL : The Vayudoot was created to meet the demands from the North-Eastern Region and a very small amount of money was made available to it. With the limited funds at disposal of the Vayudoot and with the aircraft there were given to the Vayudoot by the Indian Airlines, the Vayudoot is trying to meet the demands of the people. We should understand the purpose for which the Vayudoot was created and we shall also have to understand the difficulties in which it is functioning. Only then we will be able to assess the progress made by the Vayudoot.

Sir, the Vayudoot is not having funds and this is the reason we are trying to find wherefrom the money would come. If the Vayudoot is to take from the H.A.L., it is required to pay 50 per cent of the price at the beginning itself. Vayudoot finds it difficult. Again, if it has to pay 50 per cent of the money at the time of delivery, it finds it difficult. It has to get the money either from the Government coffers or from the financial institutions in the country or it has to get credit from foreign countries which can be paid back in fifteen years at the rate of interest of two or three per cent. We will have to assess all these proposals which have come to us and only then we will be able to take a decision.

The other question is, what kind of aircraft would be required for the Vayudoot, whether it should be a 20-seater aircraft or a 40-seater aircraft or a 50-seater aircraft. In the initial stages to meet the short operation demands 20 seater aircraft would be required. Later on 50 plus seater aircraft will be required and at the third stage 100 plus seater aircraft will be required.

SHRI SURESH KALMADI : How are they going to bear the debts?

MR. CHAIRMAN : You have not put the question on debts.

SHRI SHIVRAJ PATIL : I would like the hon. Member and the House to appreciate that the Vayudoot is not given any budgetary support. Initially, the budgetary support given to Vayudoot was very small. The flights that are going to distant and inaccessible areas are also subsidised. Vayudoot is taking money from Indian Airlines, Air India and other financial institutions as loan and trying to meet these demands. We will have to undesstand one fact that the civil aviation activity does not get any budgetary support. They have to be on their own and they are trying to do their best in this respect.

SHRIMATI RENUKA CHOWDHURY : Are you not supporting Vayudoot financially?

MR. CHAIRMAN : Prof. Lakshmanna.

SHRIMATI RENUKA CHOWDHURY : Let me ask the question.

PROF. C. LAKSHMANNA : Mr. Chairman, Sir, the Minister while replying brought out certain very important factors. Firstly, that Dornier 228 is an aircraft where parts are imported and, therefore, the cost is higher as compared to the possible cost of Polish and Czechoslovak aircraft. Here I would like to say that we are dealing with the Government which is integrated and HAL is part of the Government. How is it that Vayudoot earlier thought of purchasing Dornier 228 when they knew that there was lot of expenditure involved? At what point of time did they realise that Dornier was useless and that you had to go in for new ones? What is the investment that has already been made on Dornier aircraft and will it not be a loss for the country as a whole?

What compels the Minister to delink Vayudoot from Dornier 228 and think of going in for Polish and Czechoslovak planes?

SHRI SHIVRAJ PATIL : Dornier is not being manutactured for Vayudoot only. Let us understand that fact. Dornier is being used by the Coast Guard, by State Government and other organisations. So, it is not correct to say that Dornier is manufactured only for Vayudoot. Secondly, when Vayudoot came into existence Dorniers were available. When Vayudoot was not having sufficient aircraft, it was created to meet the demand for the North Eastern region. I am again and again repeating this point that it was created to meet the demand from the North Eastern region. So, Vayudoot took the aircraft from Indian Airlines which they were using for some time and when some aircraft were available in the country they were given to them without any payment business. Now Vayudoot cannot remain in the same position. It has to go ahead and it has to meet the increasing demand from the people. When it is expected to look to the commercial aspect, it is trying to work out whether taking Dornier is going to be useful or taking any other aircraft is going to be useful, how the funds are going to be made available and all that. They have not taken any final decision. Moreover, the capacity of producing Dorniers is also not unlimited. It has a limited capacity. Supposing, Vayudoot is requiring more aircraft and Dornier aircraft are not produced in the number that is required, then that question has also to be examined. Sir, we are not ruling out taking of the Dorniers. We are trying to examine this issue very carefully and what you have said is also a very valid point. If the capacity is created in the country, are we not going to use that capacity? But to say that Vayudoot, which is created as a separate organisation, is expected

to work on commeracial basis, expected to earn some profit, provide something, and then help HAL and purchase it from them, that kind of stand cannot be taken. As at present we will have to consider the difficulty of Vayudoot, difficulties of HAL and consider how best we can use the capacity produced in the country. That is the totality of the view of this problem we are taking as a Government.

SHRI KAMAL MORARKA : Sir, I want to know from the Minister what is the total amount that Vayudoot has been allowed to spend to acquire these aircraft, especially because there is no budgetary support. Are they allowed to borrow money from Air-India, Indian Airliness and the financial institutions without limit? Is there any limit laid down? Especially because – I want to draw your attention to this– Vayudoot has not published accounts ever since its inception. There are no accounts. Mr. Suresh Kalmadi has been kind enough to tell us that they owe 15 crores to this man and 10 crores to that man. But Vayudoot has not given us the accounts. These have not been placed on the Table of the House. It is a scandalous situation. I want a clarification from the Minister on this.

SHRI SHIVRAJ PATIL : Sir, this is being unkind to Vayudoot, which is a child trying to grow up and meet the demands and requirements.

I have been saying that you have not given them sufficient budgetary support. They are taking loans from different organisations. The Finance Ministry has issued directions saying that public sector undertakings in one Ministry should help each other in financial matters. Air-India and Indian Airlines have been good enough to give some money to them to meet certain of the requirements. And the loan that is given by the Indian airlines and Air-India is not sufficient to meet all the requirements. they are trying to earn money and they are trying to meet the requirements which are expanding like anything. Vayudoot is going to a hundred and one places, let us understand, with 24 aircraft and to areas where nobody is going. These are some of the difficulties. We are expecting a service from Vayudoot which is as good as Indian Airlines, give.

MR. CHAIRMAN: What about the accounts?

SHRI SHIVRAJ PATIL: As far as accounts are concerned, there are certain things which have to be done. Now there are certain assets which have to be assessed by some other organisation also and when that is done, accounts will be given. But that does not mean that we do not have the accounts with the Vayudoot. We can account to the Parliament but it should come as a totality and not in piecemeal. That is the difficulty.

SHRI MURASOLI MARAN : How many years will it take?

MR. CHAIRMAN : Question No. 24.

मध्य प्रदेश में विश्वविद्यालयों को केन्द्रीय सहायता

*24. **श्री अजीत जोगी :** †
श्री चन्दन शर्मा :

क्या **मानव संसाधन विकास मंत्री** यह बताने की कृपा करेंगे कि :

(क) क्या पिछले तीन वित्तीय वर्षों के दौरान मध्य प्रदेश में विभिन्न विश्वविद्यालयों को केन्द्रीय सरकार द्वारा विश्वविद्यालय-वार कितनी-कितनी वित्तीय सहायता प्रदान की गई है ;

† सभा में यह प्रश्न श्री अजीत जोगी द्वारा पूछा गया ।